

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

HB 1552 - SB 1484

March 26, 2011

SUMMARY OF BILL: Removes the one-year statute of limitations, under the Tennessee Title Pledge Act, for private rights of action by a borrower against a title pledge lender. Requires any person who has made a complaint about a title pledge lender be provided a written notice of any hearing to suspend or revoke a title pledge lender's license and the opportunity to participate and present evidence in the hearing. Requires a title pledge lender to notify the Commissioner of the Department of Financial Institutions about any civil action against the title pledge lender. Makes certain information provided by the lender to the Commissioner available to the public per request. Prohibits the customary fee to be charged on renewals of a title pledge agreement. Increases, from five to ten percent, the principal reduction payment which a borrower must make beginning with the third renewal of a title pledge agreement. Creates a private right of action for borrowers aggrieved by a title pledge lender.

ESTIMATED FISCAL IMPACT:

NOT SIGNIFICANT

Assumptions:

- The proposed legislation will affect the Department of Financial Institution's administrative and regulatory policies and procedures. The Department will also be required to collect, copy, and furnish requested information to the public.
- Any costs incurred are estimated to be not significant and can be accommodated within existing resources without an increased appropriation or reduced reversion.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink, reading "James W. White".

James W. White, Executive Director

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